



Local 813 Pension Trust Fund

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USA/PUBLIC NOTICE
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NOTICE OF CRITICAL STATUS

PENSION PLAN PRIVATE SANITATION UNION, LOCAL 813 I.B. of T.

(for the Plan Year beginning January 1, 2015)

This is to inform you that on March 31, 2015 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the Plan is in critical status for the plan year beginning January 1, 2015. Federal law requires that you receive this notice.

Critical Status

The Plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the plan's actuary determined that the Plan is in critical status because it was in critical status in the prior Plan Year and is projected to have an accumulated funding deficiency within four years.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. This is the seventh year the Plan has been in critical status. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On April 27, 2009, you were notified that as of April 30, 2009 the Plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status. On November 23, 2009, the Board of Trustees adopted a Rehabilitation Plan, which included the reduction and/or elimination of some adjustable benefits under the Plan. You received a separate notification identifying and explaining the effect of those benefit changes. If the Trustees of the Pension Fund determine that additional benefit changes are necessary in the future, you will receive a separate notice in the future identifying and explaining the effect of those changes. Any reduction of adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after April 30, 2009.

Adjustable Benefits

The plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the pension plan may adopt:

- Post-retirement death benefits;
- Sixty-month payment guarantees;
- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidies, including the Plan's Service Pension;
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA);
- Recent benefit increases (*i.e.*, occurring in past 5 years);
- Other similar benefits, rights, or features under the plan, if any

Employer Surcharge

The law requires that all contributing employers pay to the Plan a surcharge to help correct the Plan's financial situation. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the Plan under the applicable collective bargaining agreement. With some exceptions, a 5% surcharge is applicable in the initial critical year and a 10% surcharge is applicable for each succeeding Plan Year thereafter in which the Plan is in critical status, until certain conditions are met.

Where to Get More Information

For more information about this notice or the Plan, you may contact the Fund Office at (718) 937-7150 or 45-18 Court Square, Suite 600, Long Island City, New York 11101. The Plan will send you a copy of the Rehabilitation Plan upon written request to the Fund Office.